

MOTION

“The Lake on Wilshire” Project at 1930 Wilshire Boulevard represents a significant investment in an urban mixed-use development in the Westlake- MacArthur Park area. The proposed project will deliver much-needed hotel rooms, mixed-income housing, a multi-cultural performing arts center and \$2,500,000 in public benefit funds for the local community. The Project includes the following components: (a) the new construction of a multi-cultural and performing arts center; (b) the conversion and rehabilitation of an existing office building into a quality hotel; and (c) the construction of 478 residential units, including 39 Very Low Income Households units and 10 Workforce Housing units, at a project site located directly adjacent to the Wilshire/Alvarado Metro Red Line Station.

The proposed multi-cultural performing arts center will be used for a number of public benefit opportunities including programming with noteworthy cultural, artistic, music and dramatic performances, and be accessible by local schools, non-profit organizations and other community gatherings. Another important element of this project is the preservation, rehabilitation and adaptive-reuse of a designated historic resource with a quality 220-room hotel. This building was originally known as the Wilshire Medical Building and later as the Crocker Bank Building. The hotel would not only preserve an existing historic resource, but would also provide 220 hotel rooms serving demand related to business generated from the Convention Center, located over one mile away. Previous reports have indicated that providing more hotel rooms would make the Convention Center more competitive and draw more tourists and economic development.

The project developer has indicated that the proposed hotel requires financial assistance to construct and has requested that the City evaluate and consider providing economic incentives such as those that have been provided to other hotel projects. As with previous projects, this developer would provide funds to support any independent economic and fiscal analysis necessary to evaluate its proposal.

In order to prepare the City to meet the needs of our growing tourism sector, for the growth of the Convention Center, and the upcoming 2028 Olympic and Paralympic Games, it is essential that the City support the development of new hotel rooms if it is determined that the project requires assistance. As with previous projects, it is essential that the City conduct the necessary due diligence to determine whether a financing gap exists in this project and recommend options for the City to ensure that a quality project is able to move forward and provide the City with necessary hotel rooms and the quality jobs they generate.

I THEREFORE MOVE that the City Council authorize and instruct the Chief Legislative Analyst (CLA) to hire consultants necessary to evaluate the proposed hotel project at 1930 Wilshire Boulevard and make recommendations on economic development incentives that could help the project move forward, including, but not limited to, a potential site specific revenue agreement consistent with City policies; accept \$150,000 for consultant services from the developer to analyze the economics and financing associated with this instruction; request / authorize / instruct the City Controller to deposit / appropriate / expend all funds received as a result of this action in Fund 100, Department 28, Contractual Services Account 3040; and authorize the CLA to make any technical corrections, revisions, or clarifications to the above instructions in order to effectuate the intent of this action; and

I FURTHER MOVE that the Developer pay the full cost for any financial and economic analysis, consultants and any other reviews associated with the economic evaluation of this project.